

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],  
Claimant

Reg. No: 2009-15016  
Issue No: 2013  
Case No. [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
May 20, 2009  
Oakland County DHS

ADMINISTRATIVE LAW JUDGE: Tyra L. Wright

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon Claimant's request for a hearing. After due notice, a hearing was held on May 20, 2009. Claimant personally appeared and testified. A family independence manager represented the Department.

ISSUE

Did the Department properly deny Claimant's application for the Medical Assistance (MA) benefits for herself?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

- (1) Claimant applied for cash assistance, food assistance and MA for herself and her son on November 26, 2008. Prior to this hearing, Claimant withdrew her request for cash assistance. She has an open food assistance case.

- (2) The Department determined that her son, a minor child, was eligible for MA benefits but denied MA benefits to Claimant. The Department denied Claimant MA benefits on the grounds that she had excess assets and income.
- (3) According to a verification of assets form DHS-20, Claimant has a personal checking account, savings account, and a business checking account. (Exhibit 4).
- (4) Claimant submitted several bank statements to the Department. Her business checking account statement for November 1, 2008 through November 30, 2008 shows an account balance of \$6,884.61. (Exhibit 2).
- (5) This November statement and the statement for October 2008 (Exhibit 2) show that Claimant had transferred funds from her business account to her personal checking account. (See Exhibits 1 and 2).
- (6) The Department denied Claimant's request for MA assistance for herself on the grounds of excess income and assets. Claimant contends that the money in her business account is not all hers because she must pay business related expenses.
- (7) The Department received Claimant's hearing request on February 13, 2009.

#### CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, et seq., and MCL 400.105. Department policies for FAP and MA are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

#### **MA ASSET ELIGIBILITY**

#### **LIF, G2U, G2C, AMP and SSI-Related MA Only**

Asset eligibility is required for LIF, G2U, G2C, AMP and SSI-related MA categories.

**Note:** Do **not** deny or terminate TMA-Plus, Healthy Kids or Group 2 Pregnant Women because of a refusal to provide asset information or asset verification requested for purposes of determining LIF, G2U, G2C or SSI-related MA eligibility.

Use the special asset rules in PEM 402 for certain married L/H and waiver patients. See PRG, Glossary, for the definition of [L/H patient](#) and PEM 106 for the definition of [waiver patient](#).

Asset eligibility exists when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested.

At **application**, do not authorize MA for future months if the person has excess assets on the processing date.

If an **ongoing** MA recipient or active deductible client has excess assets, initiate closure. However, delete the pending negative action if it is verified that the excess assets were disposed of. Payment of medical expenses, living costs and other debts are examples of ways to dispose of excess assets without divestment. LTC and waiver patients will be penalized for divestment (see [PEM 405](#)). (PEM 400, p.4).

Under PEM 405, an asset test is applied to adults seeking MA benefits but not to minors. In this case, the Department calculated Claimant's eligibility for MA for herself and took into consideration her income and assets based on bank statements that Claimant submitted. The Department based its calculation on the bank account records and other information submitted by Claimant. Consequently, it is found that the Department properly determined that she was not eligible for MA benefits while finding that her minor son was eligible for benefits based on the information available to the Department at the time.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department properly denied Claimant's application for MA for herself but properly granted benefits to her minor son.

Accordingly, the Department's decision is AFFIRMED.

/s/  
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Tyra L. Wright  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 05/27/09

Date Mailed: 05/28/09

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

TW/dj

cc:

